

The impact of cutting the CPI reaches well beyond the Federal budget. It is also a direct attack on the wages of working families. Many workers have CPI adjustments in their collective bargaining contracts. But every pay increase is affected by the CPI. If the CPI is reduced by Congress, wages will be lower too for virtually all workers across the country.

There is no greater source of dissatisfaction in American families than the continuing erosion of their living standards. Except for the wealthy, the story of the past two decades has been "work harder and earn less." Cutting the CPI will make a bad situation even worse, by putting even greater downward pressure on the wages of every American.

Lowering the CPI has been presented as merely an overdue technical correction that should be supported as a matter of good government. This claim cannot pass the truth in advertising test.

The technical argument for lowering the CPI has been made by the Boskin Commission, which was appointed by the Senate Finance Committee to examine the issue. The Commission issued an interim report last September, which identifies several biases in the calculation. The Commission asserted that the CPI has overstated inflation by 1.5 percent a year. For the future, the Commission predicted that the CPI would be 1 percent a year too high.

The major problem with the Commission's analysis is that the sources of bias it identifies are also identified by the nonpolitical professional economists at the Bureau of Labor Statistics in the Department of Labor. They have the responsibility for setting the CPI each year. They do so fairly and impartially. They make periodic corrections to take account of any biases—up or down—that affect the index. The Bureau already plans to reduce the CPI by about two-tenths of 1 percent in 1997. This reduction is already assumed in the budget projections for the next 7 years.

The issue is not whether there should be changes in the CPI, but who should make them and how large they should be. The Boskin Commission's work is a poor basis for changing the CPI. As the Commission itself acknowledged, it did little original research. The Commission's membership was stacked with economists who believed that the CPI was overstated. According to Dean Baker, an economist at the Economic Policy Institute, "All five members had previously testified that they believed the CPI was overstated. Economists who gave contrary testimony *** were excluded."

According to Joel Popkin, another expert on the CPI, the Commission comprised five of the six witnesses before the full Finance Committee who gave the highest estimates of bias. As Mr. Popkin also pointed out, the interim report of the Commission falls far short of presenting adequate jus-

tification for its conclusions, and therefore provides no basis for Congress to change tax policies or entitlement programs such as Social Security.

In fact, for the elderly, the group most affected by any change, the most authoritative study by the Bureau of Labor Statistics suggests that the CPI may understate rather than overstate the true increase in the cost of living, because of the rapid increase in medical costs for the elderly.

To legislate an arbitrary change in the CPI would be unprecedented. In the entire history of the CPI, the Congress has never tried to impose a politically driven adjustment, and there is no excuse for imposing one now. Senior citizens and working families across the country depend on a fair CPI, and Congress should keep it that way.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, my understanding is that at this point in time, the Senators desiring to be recognized would request unanimous consent to speak for a stipulated period?

The PRESIDING OFFICER. That is correct.

Mr. WARNER. Mr. President, I ask unanimous consent that I may speak for 3 minutes and then that the Senate turn and recognize the distinguished junior Senator from Mississippi, the majority whip.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CPI AND BLOCKING THE LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION BILL

Mr. WARNER. Mr. President, I just wish to say to my colleague from Massachusetts, I listened very carefully. This question of the CPI is open for debate. Thus far, consideration has been given in a bipartisan manner by Members on both sides of this aisle, and as yet there has been no resolution. I think, indeed, there is some consideration at the level of the President and his senior advisers on this issue.

But, Mr. President, what disturbs me so much is that the Senator from Massachusetts sought to come here this morning and talk about that issue, yet he fails to address one of the most burning issues indeed on both sides of the aisle here in the U.S. Senate, and that is the inability of the majority leader, the inability of the chairman of the Appropriations Committee, to bring up the Labor and Human Resources appropriations bill. It is stopped, blocked, such that this body cannot—cannot—act upon that very important piece of legislation. The distinguished Senator from Massachusetts is the ranking member of that committee, and as such he is in a position to see that this piece of legislation could be brought forward.

This Senator is receiving reports this morning—and I called in as early as an

hour ago to the CDC, the Centers for Disease Control, and to the facilities here in Maryland—as to what the impact is of this shutdown on those very important, ongoing health advisory services to all of our citizens, and I shall later in the day perhaps be able to advise the Senate. I heard that the CDC is not able to monitor the flu epidemic that is now in the United States.

So, Mr. President, I would hope that at some point, if the Senator from Massachusetts desires to return to the floor, that he might address this important issue. I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. KENNEDY. Could I have a minute to respond to the Senator from Virginia?

The PRESIDING OFFICER. Will the Senator from Mississippi yield?

Mr. LOTT. Mr. President, if I could get clarification, I would be glad to withhold so long as the Senator does not use a minute of my own time. Could we agree he have a minute, and then I have the time allocated to me?

The PRESIDING OFFICER. There is no time assignment to the Senator from Mississippi.

Mr. LOTT. I withhold until the Senator responds.

Mr. KENNEDY. Mr. President, it is so interesting to listen to my good friend and colleague cry crocodile tears for the Centers for Disease Control because in the very appropriations bill the Senator has talked about he would cut the Centers for Disease Control by a third and diminish its effectiveness to deal with these communicable diseases.

That is an issue we ought to be debating out here. The Senator knows we could pass that bill if it had not come with the unwarranted and unjustified positions that have been assumed by the majority in undermining a woman's right to choose and including striker replacement. Drop those, and it passes by a voice vote this afternoon, I say to the Senator.

I thank the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

MISINFORMATION ABOUT THE GOVERNMENT SHUTDOWN

Mr. LOTT. Mr. President, I am pleased that there have been efforts at the White House, meetings between the President, the Vice President, and the leaders of Congress to try to find a solution to our budget problems. I know that sometimes they feel like they are trying to grasp for the wind. It is very difficult to find a solution, but it is a very, very important effort. I wish them continued encouragement in their efforts to find an agreement to the budget. I have been very much concerned that it does not seem like they are making that much progress.

The way you get a budget agreement, the way you get any agreement any time when you have two opposing